

OPINION

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HOME OWNERSHIP IS FOUNDATION OF RURAL DEVELOPMENT

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How many times have you considered homeownership a part of economic development? The truth is, without affordable, safe and adequate housing in America, economic development will continue to struggle to succeed for some of our Nation's citizens. While economic development can mean so many things, at its foundation is a community's ability to provide its residents with decent, safe and affordable housing.

Ensuring that all Americans, including families, elderly and disabled residents, living in our rural communities have affordable and safe housing has been a top priority of USDA Rural Development for more than 70 years. In fact, the Bush Administration has invested \$21.4 billion to help nearly 250,000 rural families become homeowners; over 5,000 of these new homeowners in Kansas.

We have just concluded National Homeownership Month events during June, celebrating the important role homeownership plays in American society, especially in rural America. Homeownership is a bedrock component of the American economy, helping to increase jobs, boost demand for goods and services, and build prosperity.

USDA Rural Development's housing programs finance new or improved housing for very-low, low and moderate-income families and individuals who wish to live in rural areas or communities. The purpose of these valuable homeownership programs is to provide loan assistance which can include zero down payments, along with favorable rates and terms.

USDA Rural Development offers both guaranteed and direct homeownership loans to prospective homebuyers. Under the USDA direct loan program, individuals or families receive a loan directly from

' the Agency. Guaranteed loans are made by local USDA-approved lenders, such as banks or credit unions, and then are guaranteed by the Agency.

In addition to helping expand homeownership opportunities, USDA Rural Development also offers grants and loans to help low-income families and the elderly make needed house repairs so they can remain in their own home. During Fiscal Year 2005 in Kansas, the Agency provided nearly \$1 million in repair funds to improve homes for eligible homeowners.

One of the most exciting housing programs offered by USDA Rural Development is self-help housing opportunities. Participants, organized in groups of six to nine families by an Agency-approved partner, utilize their own labor to reduce the total construction costs of their homes. These families not only build their own homes, participants work together as they complete their homes. USDA Rural Development can also fund faith-based and community nonprofit organizations to partner with the Agency in delivering these local self-help housing programs. Kansas currently has three mutual self-help housing programs in operation, including Junction City. And most importantly, Kansas will see its 200th mutual self-help home completed in the near future, new homes which benefit both families and their communities.

For many of us, being able to go to sleep each night in a safe and comfortable

home is something we take for granted. However, this is not the case for many rural Americans, including Kansans. USDA Rural Development is committed to the future of rural communities and to helping as many people as possible achieve the American Dream of homeownership.

During National Homeownership Month, the Agency celebrated homeownership and the important role it plays in providing security for children, stabilizing neighborhoods and helping to create stronger communities. USDA traveled across Kansas recognizing many homeownership success stories, the results which have improved the lives of Kansans and their communities. The Agency, in cooperation with its many partners, announced several new and exciting initiatives that will assist even more Kansans with the opportunity to own a home for the first time. I also want to again thank Major General Dennis E. Hardy, Commanding General 24th Infantry Division (Mechanized) and Fort Riley and Garrison Commander Col. Ty Smith, who were honored by the Agency as its Kansas '2006 Special Homeownership Partner' and the Junction City - Geary County Military Affairs Council, who the Agency recognized as an 'Outstanding USDA Community Partner', for cooperating with USDA through our USDA -Fort Riley Regional Initiative.

For information about USDA Rural Development housing, business or community development programs please call 785-271-2700, e-mail me at chuck.banks@ks.usda.gov, visit the Agency's Web site at www.rurdev.usda.gov/ks

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